

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

LAUREN FELTON
5250 West Berks Street, Apt. 1
Philadelphia, PA 19131-3207,

Plaintiff,

vs.

CIVIL ACTION NO.

NCO FINANCIAL SYSTEMS INC.
507 Prudential Road
Horsham, PA 19044,

Defendant.

COMPLAINT

I. INTRODUCTION

1. This is an action for damages brought by a consumer pursuant to the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.* ('FDCPA').
2. The FDCPA prohibits debt collectors from engaging in deceptive and unfair practices in the collection of a consumer debt.

3. Defendant is subject to strict liability for sending a collection letter which is false, deceptive and misleading in violation of the FDCPA.

II. JURISDICTION

4. Subject matter jurisdiction of this Court arises under 15 U.S.C. § 1692k, actionable through 28 U.S.C. §§ 1331, 1337.

III. PARTIES

5. Plaintiff, Lauren Felton ("Plaintiff" or "Felton"), is a consumer who resides in Philadelphia, Pennsylvania at the address captioned.

6. Defendant, NCO Financial Systems Inc. ("Defendant" or "NCO") is a Pennsylvania corporation with its principal place of business in Horsham, Pennsylvania at the address captioned.

7. The principal purpose of NCO is the collection of consumer debts alleged to be due another, or the bulk purchase of consumer debt when such is believed to be in default.

8. NCO regularly uses the mail and telephone to attempt to collect consumer debts acquired when in default or alleged to be due another.

9. NCO is a "debt collector" as that term is defined in the FDCPA, 15 U.S.C. § 1692a(6).

IV. FACTUAL ALLEGATIONS

10. On April 27, 2009, defendant NCO sent Plaintiff a collection notice seeking to collect a consumer debt alleged due. A copy of the collection notice is attached hereto as Exhibit "A" (redacted per local rule for privacy).

11. The collection notice represents the balance due consists of:

Principal:	\$7,697.03
Interest:	\$0.00
Costs	\$0.00
Collection Charges	\$0.00

12. Defendant's statement in its April 27, 2009 letter that the balance consists of \$7,697.03 in principal and \$0.00 in interest is deceptive and misleading. The principal amount stated is inaccurate as it includes already accumulated interest and fees. This results in an inaccurate and overstated amount of principal being claimed due.

13. The interest and other charges falsely show as zero. This leads to the misimpression that the entirety of the debt is principal, when it is not.

14. The term “principal” is a defined term, and does not include interest and fees assessed on the amount borrowed.

15. The FDCPA prohibits debt collectors from using false, deceptive or misleading means in an attempt to collect a debt alleged due, including misrepresenting the character, status, or amount of the alleged debt. 15 U.S.C. §1692e, §1692e(2), and §1692e(10).

16. Misrepresentation of interest and fees as “principal” is deceptive and has practical implications, including potential income tax ramifications.

COUNT I –FAIR DEBT COLLECTION PRACTICES ACT

17. Plaintiff repeats the allegations contained above as if the same were here set forth at length.

18. NCO has violated the FDCPA in the following ways:

(a) By using false, deceptive, or misleading representations or means in connection with the collection of the alleged debt, in violation of §1692e of the FDCPA; and

(b) By falsely representing the character, amount or legal status of the alleged debt, in violation of §1692e(2)(A) of the FDCPA.

WHEREFORE, Plaintiff, Lauren Felton, demands judgment against Defendant, NCO Financial Systems, Inc., for:

- (a) Damages;
- (b) Attorney’s fees and costs; and
- (c) Such other and further relief as the Court shall deem just and proper.

V. JURY DEMAND

Pursuant to Fed.R.Civ.P. 38, Plaintiff demands a trial by jury as to all issues so triable.

Respectfully submitted:

DATE: 03/16/10

/s/Theodore E. Lorenz (TEL5114)

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